

**Title/Subject:** Homecare and Community Care Contract  
**Meeting:** Integration Joint Board  
**Date:** 3 February 2017  
**Submitted By:** Head of Procurement and Housing Property  
**Action:** For Decision

## **1. INTRODUCTION**

- 1.1 The purpose of this report is to agree the proposed contract strategy principles, to facilitate the delivery of the new Homecare and Community Care Services contract.

## **2. RECOMMENDATION**

The Integration Joint Board are asked:

- 2.1. To agree the contract principles as outlined in paragraph 4.6, namely:
- A single contract is established, structured into lots to recognise specialisms and the 3 locality planning areas.
  - Fair Working Practices are embedded into the contract evaluation and award process.
  - The contract supports the purchase of block hours where best value can be achieved.
  - Selection and award criteria are established so as to appoint a maximum number of providers to the contract.
  - The contract is redesigned so it is more flexible, responsive and aligned to outcomes.
  - Conditions and terms of contract are specified relating to the use of technology to manage contract performance and to support service users
  - The framework supports the commissioning of Self Directed Support (SDS) options 1, 2, 3 and 4.
  - The framework reflects lessons learned from an evaluation of Discharge to Assess (D2A) models of care.
- 2.2. Note the contract timetable and associated stakeholder consultation.
- 2.3. Note that a further report is submitted to the IJB meeting on 7 April 2017 to approve the completed contract strategy.

### 3. BACKGROUND

- 3.1 The Market Facilitation Plan agreed by the IJB on 5 August 2016 highlighted that a new tender process should commence for the provision of Homecare and Community Care Services and be operational from October 2017.
- 3.2 Currently the Homecare and Community Care services are separate framework contracts, structured around individual lots. The individual lots cover the whole Falkirk area and all providers who passed the selection process were admitted onto the framework.
- 3.3 A summary of each contract is outlined in Table 1 below:

Table 1:

<b>CARE AT HOME</b> <b>Annual Spend £6.5 million – 18 contracted providers</b>	<b>COMMUNITY CARE</b> <b>Annual Spend £16.5 million – 36 contracted providers</b>
<p>Includes the provision of personal care, domestic support and is generally provided in the service user's own home</p> <p>Care at home services may assist service users with all aspects of their daily lives enabling them to continue living in their own homes for as long as possible</p> <p>There are 3 Lots:</p> <ul style="list-style-type: none"> <li>• Ad Hoc</li> <li>• Crisis Care</li> <li>• On-going</li> </ul> <p>Over 50% of care is provided by 2 providers with 16 providers delivering the remainder</p> <p>Currently c850 service users receive homecare services from external providers</p>	<p>Includes the provision of personal care, domestic support and/or housing support and may be provided in the service user's own home or in other locations as required.</p> <p>There are 5 Lots:</p> <ul style="list-style-type: none"> <li>• Physical Disabilities including Sensory Impairment</li> <li>• Learning Disabilities including Autism Spectrum Disorder</li> <li>• Mental Ill Health</li> <li>• Older People including those affected by Dementia</li> <li>• People who are or have been subject to the Criminal Justice system</li> </ul> <p>Over 80% of care is provided by 12 providers, with 24 providers delivering the remainder</p> <p>Currently c1,300 service users receive community care services from external providers</p>

- 3.4 The contract value at £23m per year requires that the new tender process aligns with the legislative and regulatory requirements of the Procurement Reform (Scotland) Act 2014 and relevant EU Directives.

#### 4. CONTRACT TIMETABLE AND STRATEGY

- 4.1 To allow for a period of contract mobilisation and pre-start meetings with providers there is a need to have contracts awarded in July 2017. Table 2 below outlines the key stages leading to the contract going live in October 2017.

Table 2:

Stage	2017							
	Jan /Feb	Mar	Apr	May	Jun	Jul	Aug /Sept	Oct
<b>Finalise Consultation, Contract Strategy and Documentation</b>								
<b>Report Contract Strategy to IJB meeting 7 April 2017 for approval</b>								
<b>Issue and Return of Tenders</b>								
<b>Evaluate Returned Tenders and Complete Award Process (Falkirk Council Contract Standing Orders)</b>								
<b>Mobilisation and Pre Start Meetings with Successful Providers</b>								
<b>Contract Start</b>								

- 4.2 In supporting the work to finalise the contract strategy a number of staff briefing sessions have been held. They have been attended by staff from across homecare and community care. Scottish Care and around 50 providers from the private, independent and voluntary sectors have also been directly engaged so they can provide input into the process. Further sessions with all stakeholders are scheduled over the coming months.
- 4.3 A key piece of work is also to provide opportunities for service user views and their representative groups e.g.: the Falkirk Carers' Centre, to be heard and

reflected in the final contract strategy. Consultations with these groups will take place over February and March 2017.

- 4.4 The contract strategy is being informed by the consultation noted above and is structured to support the HSC Partnership agreed vision and is underpinned by the 5 agreed local outcomes as shown in Table 3 below:

Table 3:

<b>VISION:</b>	“To enable people in the Falkirk area to live full independent and positive lives within supportive communities”
<b>AGREED LOCAL OUTCOMES:</b>	<p><b>Self-management</b> - individuals, carers and families are enabled to manage their own health, care and wellbeing</p> <p><b>Autonomy and Decision Making</b> - where formal support is needed people are able to exercise as much control and choice as possible over what is provided</p> <p><b>Safe</b> - health and social care support systems are in place to help keep people safe and live well for longer</p> <p><b>Service User Experience</b> - people have a fair and positive experience of health and social care</p> <p><b>Community Based Support</b> – Informal supports are in place, which enable people, where possible, to live well for longer at home or in homely settings within their community</p>

- 4.5 A multi-disciplinary project team has been established. The team comprises representatives from Procurement and Commissioning, Home Care, Learning Disability Central Team, Occupational Therapy and the Community Care Teams. Over the next 3 months the project team will work to finalise the overall contract strategy. The final strategy will be reported to the IJB in April 2017 for approval.
- 4.6 In terms of work to date, a number of principles are emerging where change to the existing framework structure is required. The principles have been identified to establish a sustainable, flexible and responsive provider base, to meet current and future projected demand. These key principles will help guide and inform the work to finalise the contract strategy. The IJB are therefore asked to agree the proposed changes outlined in Table 4.

Table 4:

Current Structure	Proposed Change	Link to Falkirk Integrated Strategic Plan 2016 -2019
<p>Separate Framework Agreements with individual lots covering the whole Falkirk area</p> <p>Maximum 4 year Contract Period</p>	<p>One single framework contract with multiple lots reflecting specialisms and locality areas.</p> <p>Maximum 4 year Contract Period.</p>	<p>By bringing services into a single contracting model we can have a more coordinated approach to providing care. This will help improve outcomes for people, their carers and families. This will support locality planning structures within the three local areas.</p> <p>This will also improve communication and see that the right services are provided when needed by the most appropriate provider.</p>
<p>Living Wage is in place by negotiation and is not a condition of contract.</p>	<p>Fair Working Practices are embedded into the contract evaluation and award process.</p>	<p>With a well-motivated, well led and skilled workforce our care providers will be better placed to support people to live safely in their homes and communities.</p>
<p>No block purchase of hours.</p>	<p>Contract to support the purchase of block hours where best value can be achieved.</p>	<p>When commissioning services we build sustainable capacity within the sector.</p> <p>In addition, services will be more responsive and available consistently throughout the year.</p>
<p>No limit on the number of providers to be contracted across both frameworks.</p>	<p>Selection and award criteria are established so as to appoint a maximum number of providers to the contract.</p>	<p>We will ensure consistent high quality services are delivered, informed by a more robust service evaluation framework.</p> <p>With a compact framework, contract management can be strengthened to increase confidence that risk is managed effectively.</p> <p>We will aim to maintain continuity care unless it is not in the best interest of the IJB or service user.</p>
<p>Individual service contracts are based upon a fixed number of weekly hours</p>	<p>Redesign contract so it is more flexible, responsive and aligned to</p>	<p>Services encourage independence by focusing on reablement, rehabilitation and recovery.</p> <p>People have timely access to services,</p>

commissioned.	outcomes	<p>based on assessed need. Services improve quality of lives and are joined up to make best use of available resources.</p> <p>More clearly align levels of care to need, supported by appropriate review processes.</p>
Limited although growing use of technology in delivery of services.	Conditions and terms of contract are specified relating to the use of technology to manage contract performance and to support service users.	<p>We will be able to better support people use technology solutions to assist them to have more independence and control over their lifestyles and the management of their condition.</p> <p>We support investment in Technology Enabled Care as an effective and appropriate way to support care.</p>
Framework Agreement is for commissioning Self Directed Support (SDS) Option 3 only.	The contract is structured to support the commissioning of services under SDS options 1,2,3 and 4	<p>Decision making is transparent, is based upon reliable information and is evidenced based.</p> <p>Support people exercise as much choice as is possible over the services that are provided.</p>
Framework does not include a D2A model of care.	The contract is structured to reflect lessons learned from an evaluation of D2A models of care.	Services encourage independence by focusing on reablement, rehabilitation and recovery.

## 5. CONCLUSIONS

- 5.1 Work is progressing and a timetable set to have the new framework contract operational by October 2017. Stakeholder consultation is on-going and a project team has been established. A range of contract objectives is proposed and the final contract strategy shall be reported back to the IJB for approval.

### Resource Implications

The total annual spend across the contracted services is estimated at £23,000,000. For the purpose of the contract notice in Public Contracts Scotland the framework value over the potential 4 year contract period will be advertised at £100,000,000.

**Impact on IJB Outcomes and Priorities**

The contracts will be structured to support the HSC Partnership's agreed vision and the 5 agreed local outcomes.

**Legal & Risk Implications**

Compliance with Falkirk Council's Contract Standing Orders will minimise risks inherent with high value complex public procurement projects. Other risks will be managed through the development and maintenance of an appropriate risk register.

**Consultation**

Consultation has taken place across teams in Adult Social Work Services, with Scottish Care and the private, independent and voluntary sectors. Further consultation with these groups and with service users and carers is planned.

**Equalities Assessment**

For the purposes of the Equality Act 2010 an equalities impact assessment will be completed prior to the contract strategy being finalised.

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Approved for submission by: Patricia Cassidy, Chief Officer

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**Date:** 12 January 2017

**List of Background Papers:**

Report to Integration Joint Board 5 August 2016 – Market Facilitation Plan